

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6365

BILL NUMBER: HB 1096

NOTE PREPARED: Feb 8, 2008

BILL AMENDED: Feb 7, 2008

SUBJECT: Various Provisions Concerning Courts.

FIRST AUTHOR: Rep. Hoy

FIRST SPONSOR: Sen. Bray

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill has the following provisions:

- A. It allows a petition for a hardship driving license to be filed in the superior court of the county in which the petitioner resides. (Under current law the petition can be filed only in the circuit court of the county in which the petitioner resides.) The bill provides, however, that if at the time a petition for a hardship driving license is filed: (1) the petitioner is a defendant in a pending case concerning the operation of a vehicle while intoxicated; (2) the petitioner is on probation after being convicted of operating a vehicle while intoxicated; or (3) the petitioner's driving privileges have been suspended after the petitioner was convicted of committing a controlled substance offense; the petition may be filed only in the circuit court or superior court in which the case is pending or the petitioner was convicted.
- B. It removes references to the Clerk of the Supreme Court from statutes concerning: (1) compensation of elected officials; and (2) annual economic interest statements filed by judicial officers or candidates for judicial office who are subject to election or a retention vote. (As of January 1, 2007, the Clerk of the Supreme Court ceased being a statewide elected office and is now appointed by the Chief Justice.)
- C. It provides that the powers of a magistrate include the power to enter a final order or judgment: (1) in a proceeding involving the small claims docket of the court; and (2) concerning protective orders to prevent domestic or family violence.
- D. It adds a second judge to the Franklin Circuit Court as of January 1, 2009. It abolishes the Franklin Circuit Court magistrate as of January 1, 2009.
- E. It abolishes the Madison County Court on January 1, 2009. It increases the number of judges serving on the Madison Superior Court from three judges to five judges on January 1, 2009. It makes the two persons elected Madison County Court judges on November 4, 2008, the fourth and fifth judges of

- the Madison Superior Court.
- F. It makes transitional and conforming amendments.

(The introduced version of this bill was prepared by the Commission on Courts.)

Effective Date: July 1, 2008; January 1, 2009.

Explanation of State Expenditures: (Revised) Summary: The bill's provisions and estimated costs are shown below.

| Provision | Effective | FY 2009 | FY 2010 | FY 2011 | FY 2012 |
|--|-----------|-----------------|------------------|-----------------|-----------------|
| Clerk of the Supreme Court | 7/1/2008 | | No Fiscal Impact | | |
| Added powers for magistrates | 7/1/2008 | | No Fiscal Impact | | |
| Add: Franklin Circuit Court new court | 1/1/2009 | \$77,169 | \$157,941 | \$161,635 | \$165,421 |
| Repeal: Franklin Circuit Court Magistrate | 1/1/2009 | (\$62,535) | (\$127,942) | (\$130,886) | (\$133,904) |
| Madison County – 2 superior courts replace 2 county courts | 1/1/2009 | | No Fiscal Impact | | |
| Total Expenditures | | <u>\$14,634</u> | <u>\$29,999</u> | <u>\$30,749</u> | <u>\$31,517</u> |

Details of the Bill's Provisions:

Clerk of the Supreme Court - Until 2006, the Clerk of the Indiana Supreme Court was an elected official. P.L.14-2004 made the Clerk a position that was appointed by the Chief Justice of the Supreme Court. The provisions referring to the Clerk as a public officer is cleanup language because the salary of the Clerk is now determined by the Supreme Court and no longer specified in statute.

Added Powers for Magistrates – Under current law, only magistrates in Allen and St. Joseph courts have the power to enter a final order in small claims or protective orders. This bill would allow all magistrates appointed by judges to have these powers. This provision would have no fiscal impact and could assist trial courts to use their personnel more efficiently. The *2006 Indiana Judicial Report* indicates that there are 50 magistrates in 21 counties in Indiana.

Background Information on Salary Estimates-

Salaries of Judicial Officers – Circuit, superior, and county court judges receive the same salary and are adjusted each year by one of two methods:

- The General Assembly could increase the amount specified in statute or
- If the General Assembly does not increase the salary of judges by a nominal amount, then under IC 33-38-5-8.1, salaries of judicial officers are adjusted by the amount that executive staff salaries in the same salary level are increased.

For this analysis, judicial officers are assumed to receive a 2.5% annual salary increase each year between

FY 2009 and 2011.

The salary of magistrates is based on the salaries of the circuit court judge. A magistrate's salary is 80% of the salary of a circuit or superior court judge.

State expenditures associated with these new court officers will also depend on the costs of fringe benefits for state employees. While most of the benefits are based on a percentage of the salaries of the employee, the costs of medical insurance for these persons will depend on future decisions of the executive branch. The extent to which the state would pass along any increase in health insurance costs to employees is unknown.

The following costs are expected for FY 2009 based on the salaries specified in the statute and by a projected increase in salary for judicial officers of 2.5% between FY 2008 and 2009.

| Salaries and Benefits for Court Personnel in FY 2009 | | | | |
|---|---------------------|--------------------------|------------------------------------|----------------------------|
| <u>Benefits</u> | <u>Judge</u> | <u>Magistrate</u> | <u>Prosecuting Attorney</u> | <u>Chief Deputy</u> |
| Salary | \$119,893 | \$95,914 | \$119,893 | \$89,920 |
| Life Insurance | \$432 | \$345 | \$432 | \$324 |
| Indiana Judicial Conference | \$1,000 | \$1,000 | | |
| Social Security | \$9,172 | \$7,337 | \$9,172 | \$6,879 |
| Retirement | \$11,933 | \$9,112 | \$11,570 | \$8,677 |
| Disability Insurance | \$2,734 | \$2,187 | \$2,734 | \$2,050 |
| Deferred Compensation Match | \$390 | \$390 | \$390 | \$390 |
| Health, Dental, and Vision (blended rate) | \$8,784 | \$8,784 | \$8,784 | \$8,784 |
| Total Cost Per Judicial Officer | <u>\$154,337</u> | <u>\$125,070</u> | <u>\$152,974</u> | <u>\$117,024</u> |

Projected Salaries 2009 - 2011 – The following table shows estimates of what the total salaries (base and fringe benefits) of these court officers could be between FY 2009 and FY 2012 if their base salaries are increased each year by 2.5%.

| Projected Base Salaries and Fringe Benefits by Judicial Officer, FY 2009 through 2012 | | | | |
|--|------------------|------------------|------------------|------------------|
| | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> |
| Circuit or Superior Court Judge | \$154,337 | \$157,941 | \$161,635 | \$165,421 |
| Magistrate (80% of Judges) | <u>\$125,070</u> | <u>\$127,942</u> | <u>\$130,886</u> | <u>\$133,904</u> |
| Difference | <u>\$29,267</u> | <u>\$29,999</u> | <u>\$30,749</u> | <u>\$31,517</u> |

Explanation of State Revenues:

Explanation of Local Expenditures: *Issuance of Hardship Driving Licenses* – Hardship driving licenses are issued to persons who have had a driving license suspended because they have been convicted of either drunk driving or a controlled substance felony. The person with a hardship license is restricted to driving to and from work and in the course of employment during the period of the driving license suspension. Under current law, only persons with a suspended license may petition the judge of the circuit court in which the person lives for a hardship license. As proposed, this bill would make two changes.

| Venue for Filing a Petition for a Hardship License | | |
|---|--|--|
| If the Person Is Convicted In: | Current Law | Proposed |
| the county of the petitioner's residence | Petition is filed in circuit court where person lives. | Petition is filed in circuit court or superior court where person lives. |
| a county other than the county of the petitioner's residence | Petition is filed in circuit court where person lives. | Petition is filed in circuit or superior court where person's license was suspended. |

As proposed, this provision would permit superior courts as well as circuit courts to issue hardship driving licenses. This could help to distribute cases more efficiently.

(Revised) *New Court in Franklin County* – Depending on the current conditions of the office space in the local court houses, Franklin County may need to spend more for office space and support staff.

Explanation of Local Revenues:

State Agencies Affected: Indiana Judicial Center.

Local Agencies Affected: Franklin and 21 counties authorized by statute to appoint magistrates.

Information Sources: *Indiana Code; 2006 Indiana Judicial Report.*

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